157-B Form (2)

17.2.2016

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 1082 / 2016 Date: 17th February 2016

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter U SEIN OO (a) U LAW YAIN KYIT

(b) Citizenship MYANMAR

(c) Address NO. 92/94, 3rd FLOOR BOGALAY ZAY STREET, WARD NO (8), BOTAHTAUNG TOWNSHIP, YANGON

(d) Name and address of Principal Organization -

(e) Place of incorporation -

(f) Type of Investment Business SOWING, PRODUCTION AND SALES OF SEEDS

(g) Place(s) at which Investment is permitted PLOT NO. 21, 19, 20, 22, 18, 45, 46, 47, KWIN NO. 12, TAMARKONE, SAEYWA VILLAGE TRACT, SINTKAING TOWNSHIP, KYAUKSE DISTRICT, MANDALAY REGION AND PLOT NO. 110, KWIN NO. 888, YWA THA GYI, KAN SWEL VILLAGE TRACT, PWINT PHYU TOWNSHIP, MINBU DISTRICT, MAGWAY REGION

(h) Amount of Foreign Capital US$ 0.96 MILLION

(i) Period for Foreign Capital brought in WITHIN TWO YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 1.18 MILLION (INCLUDING US$ 0.96 MILLION)

(k) Construction period 1 YEAR

(l) Validity of investment permit 30 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of Company incorporated in Myanmar KNOWN-YOU SEED MYANMAR COMPANY LIMITED

Chairman

The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၁၀၈၂/၂၀၁၆ ၂၀၁၆ ခုနှစ် ဖေဖော်ဝါရီလ ၁၅ ရက်

ပြည်ထောင်စု သမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃ ပုဒ်မခွဲ(ခ)အရ ဤခွင့်ပြုမိန့်ကိုမြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်ကထုတ်ပေးလိုက်သည်-

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူ၏အမည် ဦးစိန်ဦး (ခ) ဦးလောရိန်ကြစ်

(ခ) နိုင်ငံသား မြန်မာ

(ဂ) နေရပ်လိပ်စာ အမှတ်(၉၂/၉၄)၊ တတိယထပ်၊ ဘိုကလေးဈေးလမ်း၊ (၈)ရပ်ကွက်၊ ဗိုလ်တထောင်မြို့နယ်၊ ရန်ကုန်မြို့

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ -

(င) ဖွဲ့စည်းရာအရပ် -

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား မျိုးစေ့စိုက်ပျိုး ထုတ်လုပ်ခြင်း နှင့် ရောင်းချခြင်း လုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) ဦးပိုင်အမှတ် (၂၁၊ ၁၉၊ ၂၀၊ ၂၂၊ ၁၈၊ ၄၅၊ ၄၆၊ ၄၇)၊ ကွင်းအမှတ်(၁၂)၊ တမာကုန်း၊ ဆည်ရွာကျေးရွာအုပ်စု၊ စဉ့်ကိုင်မြို့နယ်၊ ကျောက်ဆည်ခရိုင်၊ မန္တလေးတိုင်းဒေသကြီး နှင့် ဦးပိုင်အမှတ် (၁၁၀)၊ ကွင်းအမှတ်(၈၈၈) ရွာသာကြီးကွင်း၊ ကန်ဆွယ်ကျေးရွာအုပ်စု၊ ပွင့်ဖြူမြို့နယ်၊ မင်းဘူးခရိုင်၊ မကွေးတိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၀.၉၆ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိသည့်နေ့မှ ၂ နှစ် အတွင်း

(ည) စုစုပေါင်းမတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၁.၁၈ သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ (အမေရိကန်ဒေါ်လာ ၀.၉၆ သန်း အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၁ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံမှု ခွင့်ပြုသည့် သက်တမ်း ၃၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် KNOWN-YOU SEED MYANMAR COMPANY LIMITED

၁၅/၂

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

No.(1), Thitsar Road, Yankin Township, Yangon

Tel: 01-658127

Fax: 01-658136

Our ref : DICA-2/ FI- 115/ 2016(157-B)

Date : 17th February 2016

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Sowing, Production and Sales of Seeds" under the name of Known-You Seed Myanmar Company Limited.**

Reference: Known-You Seed Myanmar Company Limited Letter dated (30-10-2015)

1. The Myanmar Investment Commission, at its meeting (3/2016) held on 30th January, 2016 had approved the proposal for investment in "Sowing, Production and Sales of Seeds" under the name of "Known-You Seed Myanmar Company Limited" submitted as a Joint Venture between Shall-Long Company Limited (80%) from Taiwan and U Sein Oo (a) U Law Yain Kyit (20%) from the Republic of the Union of Myanmar.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 30 (thirty) years commencing from the date of the issuance of Myanmar Investment Commission's Permit. The term of the lease shall be initial 5 (five) years commencing from the date of signing of the Lease Agreement between U Win Aung for Plot No. 21, 19, 20, 22, 18, 45, 46, 47, Kwin No. 12, Tamarkone, Saeywa Village Tract, Sintkaing Township, Kyaukse District, Mandalay Region, U Zar Ni Aung for Plot No. 110, Kwin No. 888, Ywa Tha Gyi, Kan Swel Village Tract, Pwint Phyu Township, Minbu District, Magway Region (Lessors) and Known-You Seed

Myanmar Company Limited (Lessee) and extendable for 10(ten) years in 2(two) times by mutual agreement between the lessors and the lessee. On the expiry of the Lease Agreement, Known-You Seed Myanmar Company Limited shall transfer the leased land to the lessors within three months in good condition, ground damages have been refilled or repaired.

4. The annual rent for the land shall be US$ 5086.32 (United States Dollar five thousand and eighty six and thirty-two cent only) of the land measuring 97772.14 square meters (24.16 acres) of Plot No. 21, 19, 20, 22, 18, 45, 46, 47, Kwin No. 12, Tamarkone, Saeywa Village Tract, Sintkaing Township, Kyaukse District, Mandalay Region and US$ 484.42 (United States Dollar four hundred and eighty four and fourty-two cent only) of the land measuring 31039.42 square meters (7.67 acres) of Plot No. 110, Kwin No. 888, Ywa Tha Gyi, Kan Swel Village Tract, Pwint Phyu Township, Minbu District, Magway Region.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27 (a),(h),(i) and (k) of the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section-27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section-27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instrument, machinery components, spare parts and materials used in the business which are imported as they are actually required for use during period of construction of business;

(c) As per section-27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section-27(k), exemption or relief from commercial tax on the goods produced for export;

6. Known - You Seed Myanmar Company Limited shall have to sign the Land Lease Agreement with U Win Aung and U Zar Ni Aung. Moreover, Shall-Long Company Limited shall have to sign the Joint Venture Agreement with U Sein Oo (a) U Law Yain Kyit. After signing such Agreements, each of (5) copies shall have to be forwarded to the Commission.

7. Known-You Seed Myanmar Company Limited in consultation with the Company Division, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. Known-You Seed Myanmar Company Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. Known-You Seed Myanmar Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be granted more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, a state of emergency, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if Known-You Seed Myanmar Company Limited cannot construct completely in time during the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

12. The investor or promoter shall apply the commencement date of commercial operation with Form (11) for their production of seeds and report to the Commission in accordance with Foreign Investment Rule 97.

13. Known-You Seed Myanmar Company Limited shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law and the Known-You Seed Myanmar Company Limited has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section-2(i) of the Foreign Investment Law, other than foreign currency.

16. Whenever Known-You Seed Myanmar Company Limited brings in foreign capital defined under Chapter I, section-2(i) of the Foreign Investment Law, other than foreign currency in the manner of paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Known-You Seed Myanmar Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Known-You Seed Myanmar Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Known-You Seed Myanmar Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and be abided by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. Known-You Seed Myanmar Company Limited shall have to follow the Seed Law, rules, regulation and procedures of Department of Agriculture, Ministry of Agriculture & Irrigation.

21. After getting permit from Myanmar Investment Commission, Known-You Seed Myanmar Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

22. Known-You Seed Myanmar Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments and also to appoint fire safety officer.

23. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made out of export earnings of Known - You Seed Myanmar Company Limited.

24. Known-You Seed Myanmar Company Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Managing Director

Known -You Seed Myanmar Company Limited

cc:
1. Office of the Union Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Agriculture and Irrigation
5. Ministry of Environmental Conservation and Forestry
6. Ministry of Electric Power
7. Ministry of Immigration and Population

8. Ministry of Industry
9. Ministry of Commerce
10. Ministry of Finance
11. Ministry of National Planning and Economic Development
12. Ministry of Labour, Employment and Social Security
13. Central Bank of Myanmar
14. Office of the Mandalay Region Government
15. Office of the Magway Region Government
16. Director General, Fire Service Department
17. Director General, Department of Agriculture
18. Director General, Department of Environmental Conservation
19. Director General, Forest Department
20. Director General, Immigration and National Registration Department
21. Director General, Directorate of Industrial Supervision and Inspection
22. Director General, Customs Department
23. Director General, Internal Revenue Department
24. Director General, Directorate of Trade
25. Director General, Directorate of Investment and Company Administration
26. Director General, Directorate of Labour
27. Managing Director, Myanma Electric Power Enterprise
28. Managing Director, Myanma Foreign Trade Bank
29. Managing Director, Myanma Investment and Commercial Bank
30. Managing Director, Myanma Insurance
31. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)